GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA

UNSTARRED QUESTION NO:808
ANSWERED ON:22.11.2007
REVIVAL OF BHPV
Jagannath Dr. M.

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether the Government has referred the ailing and sick Bharat Heavy Plates and Vessels Limited (BHPV) to the Board for Reconstruction of Public Sector Enterprises; and

(b) if so, the details thereof including the latest status with regard to the revival and rehabilitation of BHPV?

Answer

MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI SONTOSH MOHAN DEV)

(a) Yes. The Board for Reconstruction of Public Sector Enterprises (BRPSE) has considered the Bharat Heavy Plates and Vessels Limited (BHPV) revival proposal.

(b) BHPV is proposed to be revived by taking over by Bharat Heavy Electricals Limited (BHEL) as its subsidiary. BHEL has sought certain concessions for reviving the BHPV. Government of Andhra Pradesh has agreed to the proposal for the transfer of land to BHPV as BHEL takes over. The bankers of BHPV have agreed to waive interest in lieu of One Time Settlement of the full principal amount. Government of Andhra Pradesh has also agreed to all the concessions sought. A proposal for financial restructuring and strengthening of BHPV envisaging wavier of Government of India loan and interest, infusion of funds by the Government for settling the outstanding liabilities of the bankers and others, investment of funds by BHEL in BHPV and take over of BHPV by BHEL, was sent to the Board for Reconstruction of Public Sector Enterprises.
BRPSE considered the proposal on 02.07.2007 and recommended financial restructuring and strengthening of BHPV. Based on the recommendations of BRPSE as well as comments received from all concerned Ministries/Departments, a decision in the matter will be taken by Government shortly.